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SUBJECT: JAPANESE MORNING PRESS HIGHLIGHTS 04/16/08

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Yomiuri Shimbun compiles proposal for establishing minimum

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guaranteed pension system, allowing families raising children to be exempt from paying premiums

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JVC to withdraw from domestic TV market to focus on Europe, U.S.

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Government panel to express opposition to TCI's purchase of J-Power stocks; First guideline for regulating foreign investors

Tokyo Shimbun:

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(2) Returning home after quake: Provide facilities for those who wait and watch situation

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(1) Yomiuri Shimbun proposal for pension reform: Take medical services and nursing-care into account

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(1) Do not allow options for young people's job seeking to be narrowed

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Sankei:

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Akahata:

(1) Global food crisis: There are many things Japan should do

3) Prime Minister's Official Residence (Kantei)

Prime Minister's schedule, April 15

NIKKEI (Page 2) (Full)

April 16, 2008

08:29

Attended a meeting of the decentralization promotion office in the

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Diet Building. Attended a cabinet meeting. Consumer Affairs Minister Kishida stayed behind.

09:55

Attended an annual meeting of the Japan Atomic Industrial Forum at the Tokyo Prince Hotel.

10:30

Met the Japan cherry blossom festival princess and others at the Kantei, with Chief Cabinet Secretary Machimura and Deputy Chief Cabinet Secretary Ono. Later met Cabinet Intelligence Director Mitani, Defense Ministry Defense Policy Bureau Director General Takamizawa, and Intelligence Headquarters chief Hokazono.

11:19

Met Kyoto Formative Arts University Professor Shinichi Takemura and Gaea Initiative President Tomoyo Nonaka, with Assistant Deputy Chief Cabinet Secretary Ando. Followed by Special Assistant Ito.

12:13

Met Machimura.

14:27

Met Special Advisor Yamatani.

15:56

Met Vice Justice Minister Ozu and Assistant Deputy Chief Cabinet Secretary Saka.

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16:24

Met Lower House member Taro Nakayama.

17:00

Met Land, Infrastructure and Transport Minister Fuyushiba, Senior Vice Minister Hirai, and Deputy Chief Cabinet Secretary Futahashi. Attended a meeting of the Council on Economic and Fiscal Policy.

18:31

Met Environment Minister Kamoshita.

19:19

Returned to his official residence.

4) Provisional gas tax rate bill to be adopted again in Lower House, possibly on April 30; Prime minister to forgo visiting European countries

MAINICHI (Page 1) (Excerpts)

April 16, 2008

Prime Minister Yasuo Fukuda on April 15 decided to adopt as early as

the 30th a bill amending the Special Tax Measures Law aimed at extending the provisional gas tax rate once again in the Lower House. He had been looking into visiting Britain, France and Germany during the Golden Week holidays in early May. However, he has decided to give up the idea. He will give priority to cutting the period of revenue shortfalls, because it will become possible to readopt the bill in the Lower House on the 29th in compliance with the Constitution.

The Democratic Party of Japan (DPJ or Minshuto) is determined to submit a censure motion against the prime minister to the Upper

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House in the event the bill is reapproved in the Lower House. Should that occur, the political situation would inevitably become strained. The gas tax has been a campaign issue in the Lower House by-election in the Yamaguchi No. 2 Constituency on April 27. However, in order to stabilize tax resources, the prime minister intends to have the bill readopted in the Lower House regardless of the election result.

In the meantime, he will visit Russia from the 25th through the 27th as planned. He is expected to meet with President Putin and President-elect Medvedev.

5) Prime Minister Fukuda's trip to Europe now difficult

ASAHI (Page 4) (Full)
April 16, 2008

It has now become difficult for Prime Minister Yasuo Fukuda to visit Britain, France and Germany in early May. Assuming that the House of Representative will revoke on April 30 on a bill to restore the once-expired provisional gasoline tax rate, Fukuda judged that it would be difficult for him to secure a schedule for a trip to the three European countries in consideration of managing Diet affairs after the enactment of the bill.

Fukuda was considering a visit to Russia in late April to meet with President Vladimir Putin and Dmitry Medvedev, who will assume the presidency in June, as well as a trip to Britain, France and Germany, after the passage of the gasoline bill, to ask the leaders of the three countries for cooperation for the G-8 Hokkaido summit in July. However, the view gained ground that it would be difficult to arrange schedules with these European countries because of the internal political situation, with opposition parties planning to submit a censure motion against the prime minister (to the House of Councillors).

6) LDP Secretary General Ibuki negative about possibility of shuffling cabinet during current Diet session

YOMIURI (Page 4) (Full)
April 16, 2008

Ichigo Kosaka, Beijing

The ruling Liberal Democratic Party's (LDP) Secretary General Ibuki late yesterday held talks with reporters accompanying him at a hotel in Beijing. When asked about the possibility that the cabinet would be shuffled during the current session of the Diet, which is to close on June 15, Ibuki indicated a negative view by noting: "From a common sense viewpoint, it is hard to shuffle the cabinet while the Diet is in session, given the need for us to respond to questions in the Diet. Shuffling the cabinet with the aim of recovering the (cabinet) approval ratings is a case of putting the cart before the horse."

7) Lawmakers call for ban on cluster bombs

YOMIURI (Page 4) (Full)
April 16, 2008

A group of cross-party lawmakers held a study meeting in the Diet building yesterday on cluster bombs, which release large numbers of

bomblets that may remain unexploded and cause tremendous damage later on. Branislav Kapetanovic of Serbia, who lost both hands and feet when was trying to destroy a bomblet, spoke before the meeting.

8) Government to advise British hedge fund today to stop bid to increase stake in J-Power

NIKKEI (Page 1) (Slightly abridged)
April 16, 2008

The government has decided to advise London-based Children's Investment Master Fund (TCI) to stop acquiring additional shares in domestic electricity wholesaler Electric Power Development Co., known as J-Power. The special subcommittee on foreign capital of the Finance Ministry's Council on Customs, Tariffs, Foreign Exchange and other Transactions submitted to the government a report suggesting that TCI's purchase of additional shares would disrupt the maintenance of public order. The government will issue an order based on the Foreign Exchange and Foreign Trade Law for the first time.

TCI planned to buy more shares to increase its current stake of about 9.9 PERCENT in J-Power to 20 PERCENT. In response to the application it filed, the Ministry of Economy, Trade and Industry and the Finance Ministry asked the subcommittee to discuss the propriety of the TCI bid. The report noted: "The bid would bring about an unexpected effect on (J-Power's) plan, operation, and maintenance related to such fundamental facilities as electric power lines, as well as the nation's nuclear power policy." Under the said law, a foreign firm is required to give prior notice to relevant authorities when it plans to purchase a stake of 10 PERCENT or more. It is the first time for the government to recommend or order a company to change or cancel its plan after the current applicable business types were set in 1992.

9) Foreign currency reserve funds in special account reduced to almost zero due to stronger yen

YOMIURI (Page 2) (Full)
April 16, 2008

The Finance Ministry yesterday revealed that reserve funds in the special foreign currency funds account had been reduced to almost zero as a result of an increase in appraisal losses of foreign reserves due to the strong yen. The Democratic Party of Japan (DPJ or Minshuto) is insisting that since the reserve funds are buried funds, they can be used to make up for revenue falls following the abolition of the provisional tax rates. Finance Minister Nukaga during a meeting of the Upper House Financial Affairs Committee yesterday noted, "The reserve funds have been reduced to almost zero. We have no intention of using those funds."

The foreign currency reserve funds are mainly invested in U.S. government bonds. The current amount stands at approximately 17.5 trillion yen. However, according to the Finance Ministry, that amount could be offset with the value of the yen reaching 101 against the dollar, when appraisal losses of U.S. government bonds amounts to about 17.5 trillion yen. If the yen remains strong, the special foreign currency funds account would register excessive liabilities in terms of private companies, as the Finance Ministry put it. Should that occur, the ministry would find it necessary to

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make up for losses in the reserve funds by reducing surpluses from investment profits to be transferred to the general account.

10) Prime Minister Fukuda intends to press Chinese leader to have dialogue with Tibet

NIKKEI (Page 2) (Full)
April 16, 2008

Prime Minister Yasuo Fukuda intends to discuss the riots that occurred in the Tibet Autonomous Region when he meets with Chinese President Hu Jintao when the latter visits Japan in early May. The prime minister will urge the Chinese government to have a dialogue with the 14th Dalai Lama, Tibet's spiritual leader, in order to resolve the problem.

At a news conference yesterday afternoon, Chief Cabinet Secretary Nobutaka Machimura noted: "It is important to resolve the Tibet issue through talks and in a peaceful manner. I think the prime minister will tell (the Chinese government) to make even more efforts."

11) LDP, New Komeito leaders ask China for peaceful settlement of Tibet issue

MAINICHI (Page 2) (Full)
April 16, 2008

Eriko Horii, Beijing

The ruling Liberal Democratic Party's (LDP) Secretary General Bunmei Ibuki and the junior coalition partner New Komeito's Secretary General Kazuo Kitagawa arrived in Beijing yesterday afternoon. They met with Wang Jiarui, head of the International Department of the Communist Party of China, and urged the Chinese side to resolve the riots in the Tibet Autonomous Region in a peaceful manner. Ibuki conveyed to the Chinese side that during the upcoming Group of Eight (G-8) Toyako Summit in Hokkaido, Prime Minister Yasuo Fukuda would ask for the G-8 leaders' cooperation for the success of the Beijing Olympics. Speaking of the Tibet issue, Ibuki noted: "We hope to see the matter settled through dialogue with the 14th Dalai Lama and in a peaceful manner." In response, Wang said: "The Tibet problem is one thing and our hosting of the Beijing Olympics is another. Those who schemed to link them caused the riots."

As for the planned visit to Japan by Chinese President Hu Jintao in May, Ibuki said, "We'd like to make it a success as an occasion for the leaders of the two countries to discuss important matters for Asia and the world." Ibuki pointed out the need for both countries to make efforts to resolve such issues as the joint development of gas fields in the East China Sea and poisonous Chinese dumplings. Kitagawa asked Wang about chartered flights between Beijing Nanyuan Airport and Haneda Airport. Wang told Kitagawa: "We want to discuss the proposal fully."

12) LDP Secretary General Ibuki conveys Prime Minister Fukuda's plan to Chinese side to ask G-8 summit members for cooperation for Beijing Olympics

ASAHI (Page 4) (Full)
April 16, 2008

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Hirotooshi Yamaguchi, Beijing

Bunmei Ibuki and Kazuo Kitagawa, secretaries general of the ruling Liberal Democratic Party (LDP) and its coalition partner New Komeito, who are now visiting Beijing, met yesterday with Wang Jiaduan, head of the International Department of the Chinese Communist Party's Central Committee. Ibuki told Wang: "Prime Minister Fukuda hopes to see a successful Beijing Olympics. He plans to seek at the G8 summit in Hokkaido in July the participants' cooperation for the Olympics."

On the Beijing Olympics, the view has emerged in some European countries and the United States that their leaders should forgo attendance at the opening ceremony in response to the Chinese government's response to the riots in Tibet. However, Fukuda has made his position clear that he will ask G-8 members to cooperate with China for the Beijing Olympics, giving priority to Japan-China relations.

Ibuki also told Wang: "We hope that China will resolve the issue through dialogue in a peaceful manner by disclosing information

further and securing transparency." He asked the Chinese side to hold a dialogue with the 14th Dalai Lama, Tibet's exiled spiritual leader. Wang then reportedly responded: "I would like to hear your proposal."

In the meeting: Wan welcomed the visit to China by the two secretaries general, saying: "It is extremely important for

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development of the China-Japan relations."

13) Japan-China gas field development talks: Reaching settlement at summit difficult

YOMIURI (Page 2) (Full)
April 16, 2008

Vice Foreign Minister Mitoji Yabunaka met with his Chinese counterpart Wang Yi in Beijing on April 14-15. They exchanged views on the issue of developing gas fields in the East China Sea. According to an informed source, they remained at odds over the setting of an area for joint development. The issue is one of the top agenda items at a summit between Prime Minister Fukuda and Chinese President Hu Jintao, who is scheduled to visit Japan starting on May 6.

Prior to the summit, Tokyo and Beijing will undertake final coordination during a foreign ministerial to be held when Foreign Minister Yang Jiechi comes to Japan on April 17. However, according to a source involved in bilateral gas field talks, it has been impossible for the two countries to hold talks on gas fields with both pressed to deal with the riots in Tibet and the tainted gyoza dumpling incident. As such, there is almost no chance for both countries to reach a settlement at the upcoming summit. Chief Cabinet Secretary Machimura during a press conference yesterday said: "Unfortunately, we have not reached an agreement as of today. Chances are that talks might continue until immediately before President Hu comes to Japan."

14) Science and Technology Policy Minister Kishida: Seven countries will be invited to G-8 science and technology ministerial

MAINICHI (Page 3) (Full)
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April 16, 2008

Fumio Kishida, state minister in charge of science and technology policy, yesterday announced that Japan would invite seven countries, including Brazil, China, South Korea, and South Africa, to the G-8 science and technology ministerial to take place in Okinawa in June before the G-8 summit is held in Hokkaido in July. A total of 16 countries and organizations will participate in the June international conference. The G-8 will hold a science and technology ministerial for the first time. The main topic of discussion in the meeting will be how developing countries and G-8 members should promote multinational cooperation in a bid to resolve such global issues as how to build a low-carbon society and measures against infectious diseases. Therefore, the Japanese government reportedly judged that the G-8 members would need to discuss the matters with countries concerned.

15) Japanese, U.S. research institutes to launch joint research on customized medical treatment

ASAHI (Page 33) (Excerpts)
April 16, 2008

Japanese and U.S. research institutes will launch joint research on customized medical treatments to treat patients based on their respective genes. The Center for Genomic Medicine of RIKEN (Wako City, Saitama Prefecture) and research bodies under the National Institute of Health (NIH) signed a written agreement yesterday. The joint team will first engage in research on five cases, including treatment of breast cancer and prevention of strokes.

This will be the first case for major research institutes of Japan and the U.S. to carry out joint research. They have judged that by making use of their capabilities and resources in an effective way, they will be able to eliminate wasteful research and create standards for treatments. Three research bodies under the NIH, including the National Cancer Center will take part in the joint research. Additionally, the Pharmacogenetics Research Network will also take part.

16) U.S. military police officers took two shoplifters, sons of U.S. Marines, to base; Okinawa Police Station: "Investigations have been obstructed"

SANKEI (Page 30) (Full)
April 16, 2008

A salesclerk of a clothing store in Chatan, Okinawa Prefecture, caught two sons of U.S. Marines for allegedly shoplifting clothing, but U.S. military police officers who arrived at the scene ahead of Okinawa police officers took them into custody and took them to a U.S. base in defiance of the Okinawa police officers' request to question the two, it was learned yesterday.

The Okinawa Police Station yesterday sent a letter to the U.S. Marine police seeking an explanation, noting, "Investigations have been hampered."

According to the Okinawa Police Station, at around 3:25 p.m. April 13, the salesclerk caught a 16-year-old and 17 year-old boy for shoplifting T-shirts and other items in a clothing store in Mihama, Chatan. Another minor who was with them fled from the scene.

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Although Okinawa police officers arrived at the scene some 20 minutes later, U.S. military police officers who had arrived there earlier handcuffed the two minors and took them in custody. Although the Okinawa police officers were allowed to identify the minors, the U.S. side rejected their request to question the two and took them to a U.S. base.

Since April 14, Okinawa police officers have been questioning the minors on a voluntary basis in close cooperation with the U.S. military.

17) Papers on U.S. military police officer sent to prosecutors over taxi holdup

SANKEI (Page 30) (Full)
April 16, 2008

The Okinawa Police Station yesterday sent to prosecutors papers on Darius Antoine Branson (TN: phonetic), 21, a military police officer based at Kadena Air Base, on charges of robbery resulting in bodily injury in connection with a case in which four sons of U.S. Marines had been arrested on suspicion of assaulting a taxi driver and robbing him of about 8,000 yen in Okinawa City on March 16. Branson has denied the charges, saying, "Although I drove to a place close to the scene, I did not instruct the boys to do anything."

According to the investigation, Branson, in conspiracy with the four minors, is suspected of having brought the taxi to a halt on a street in Okinawa City at around 0:20 a.m. March 16, hit the driver in the head, and walked away with a box containing approximately 8,000 yen. From statements by the four, Okinawa police believe Branson ordered them to attack the taxi driver.

Branson has known the four from before. He was allegedly with the boys at his home on the base on the night of the incident and went out with them in his car.

The four minors were arrested by April 5 by Okinawa police on charges of robbery resulting in bodily injury. Okinawa police have been questioning Branson on a voluntary basis in cooperation with the U.S. military. He has reportedly been detained in a facility on the base.

On the day the incident occurred, U.S. forces in Okinawa were under a curfew in the wake of an alleged sexual assault against a local girl.

18) Okinawa rally committee petitions Defense Ministry, Foreign Ministry for drastic revisions to SOFA

AKAHATA (Page 3) (Abridged)
April 16, 2008

The Okinawa Prefectural Rally Executive Committee against Incidents and Accidents Caused by U.S. Military Personnel visited the Defense Ministry and the Foreign Ministry yesterday to propose revising the Japan-U.S. Status of Forces Agreement (SOFA) drastically and carrying out a realignment and reduction of U.S. military bases in Okinawa.

Later in the day, the committee's members held a press conference, during which they revealed that they would ask lawmakers elected

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from Okinawa to check how the SOFA will be revised and how the U.S. military presence in Okinawa will be realigned and reduced.

One of the committee's members quoted Parliamentary Defense Secretary Minoru Terada as telling them that the Defense Ministry

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will work on the Foreign Ministry to revise the SOFA if its improved implementation is not enough.

19) Captain of whaler comments on protesters: Protest boat came within a few meters

NIKKEI (Page 43) (Slightly abridged)
April 16, 2008

The Nisshin Maru, the lead ship of a Japanese whaling fleet, returned to Tokyo Port yesterday after wrapping up its mission in the Southern Ocean. The ship was harassed by the antiwhaling group Sea Shepherd Conservation Society during whaling operations. Captain Tomoyuki Ogawa and crewmembers of the whaler held a press conference at the Ministry of Agriculture, Forestry and Fisheries yesterday. Captain Ogawa said: "The protest boat came only three or four meters away from our ship. If the ships had collided, it would have threatened human lives." He added: "I want them not to forget seamanship."

According to Ogawa, when protesters threw bottles containing a chemical, the protest boat came so close to the whaling ship that the two ships were about to collide. Ogawa criticized Sea Shepherd: "(Protesters) should stop any acts that could inflict damage to ships or threaten people's lives. (Violent acts) should be taken up at an international arena."

SCHIEFFER